

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

UNSTARRED QUESTION NO:79

ANSWERED ON:16.11.2016

Imbalance in the per capita Income between inter-state states

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Will the Minister of PLANNING be pleased to state:

- (a) whether there is imbalance in the per capita income between inter-state and States;
- (b) if so, the per-capita income of each state and the reasons therefor; and
- (c) the steps taken by the Government to increase the per capita income of every State?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) FOR MINISTRY OF PLANNING
AND MINISTER OF STATE FOR MINISTRY OF URBAN DEVELOPMENT AND MINISTRY OF HOUSING & URBAN POVERTY
ALLEVIATION

(RAO INDERJIT SINGH)

(a) & (b): The per capita income level of States depend on a number of factors which include resource endowments, historical background of development, availability of socio-economic and physical infrastructure, demographic features and various other state specific factors. The State/UT-wise estimates of Per Capita Income (measured as Per Capita Net State Domestic Product (NSDP)) at current prices for the last three years are given at Annex.

(c): The Government has taken several measures to improve the growth performance of all the States in a balanced manner. Some of the policy initiatives in this direction include: transfer of resources from Centre to States favouring less developed States; incentives for setting up of industries in the backward regions; etc. The enhanced share of States in Central taxes from 32 per cent to 42 per cent provides flexibility to the States for designing and financing schemes suited to the local needs and to bridge the development gaps in the backward regions of the States through the framework of co-operative and competitive federalism. In addition, several Centrally Sponsored Schemes and state-specific schemes are being implemented which are expected to improve the per capita income of different States.
